

**FINANCIAL STATEMENTS – REGULATORY BASIS
AND REPORTS OF INDEPENDENT AUDITOR**

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1,
ROGERS COUNTY, OKLAHOMA**

JUNE 30, 2022

Audited by

**BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP**

BROKEN ARROW, OK

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHOOL DISTRICT OFFICIALS
JUNE 30, 2022**

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CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
JUNE 30, 2022

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**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
JUNE 30, 2022**

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INDEPENDENT AUDITOR'S REPORT

To the Honorable Board of Education
Claremore School District No. 1
Claremore, Rogers County, Oklahoma

Report on the Audit of the Financial Statements

We have audited the accompanying combined fund type and account group financial statements-regulatory basis of the Claremore Independent School District No. 1, Claremore, Rogers County, Oklahoma (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Qualified Opinion on Regulatory Basis of Accounting

In our opinion, except for the effects of the matter discussed in the "Basis for Qualified Opinion on Regulatory Basis of Accounting" section of our report, the combined financial statements referred to above present fairly, in all material respects, the assets, liabilities and fund balances arising from regulatory basis transactions of each fund type and account group of the District, as of June 30, 2022, and the revenues it received and expenditures it paid and encumbered for the year then ended, in accordance with the financial reporting provisions of the Oklahoma State Department of Education as described in Note 1.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the "Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles" section of our report, the financial statements referred to in the first paragraph do not present fairly, in accordance with accounting principles generally accepted in the United States of America, the financial position of the District, as of June 30, 2022, or the revenues, expenses, and changes in net position and, where applicable, cash flows thereof for the year then ended.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our adverse and qualified audit opinions.

Basis for Qualified Opinion on Regulatory Basis of Accounting

As discussed in Note 1, the financial statements referred to above do not include the General Fixed Asset Account Group, which is a departure from the regulatory basis of accounting prescribed or permitted by the Oklahoma State Department of Education. The amount that should be recorded in the General Fixed Asset Account Group is not known.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 to the financial statements, to meet the financial reporting requirements of the Oklahoma State Department of Education, the financial statements are prepared by the District, on the basis of the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education, which is a basis of accounting other than accounting principles generally accepted in the United States of America. The effects on the financial statements of the variances between the regulatory basis of accounting described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material and pervasive.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the financial reporting regulations prescribed or permitted by the Oklahoma State Department of Education as described in Note 1, to meet the financial reporting requirements of the State of Oklahoma; this includes determining that the regulatory basis of accounting is an acceptable basis for the preparation of the financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the District's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the fund type and account group financial statements-regulatory basis that collectively comprise the District's basic financial statements. The accompanying combining financial statements-regulatory basis and other supplementary information and schedule of expenditures of federal awards, as required by Title 2 *U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards*, are presented for purposes of additional analysis and are not a required part of the combined financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the combined financial statements-regulatory basis. The information has been subjected to the auditing procedures applied in the audit of the fund type and account group financial statements within the combined financial statements-regulatory basis and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the financial statements being prepared in compliance with the regulatory basis as prescribed by the Oklahoma State Department of Education as discussed in Note 1, the combining financial statements-regulatory basis and other supplementary information and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the combined financial statements-regulatory basis as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated October 21, 2022, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

October 21, 2022



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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

The Honorable Board of Education
Claremore Independent School District No. 1
Claremore, Rogers County, Oklahoma

We have audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the fund type and account group financial statements – regulatory basis of the Claremore Independent School District No. 1, Claremore, Rogers County, Oklahoma (the District), as of and for the year ended June 30, 2022, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated October 21, 2022, which was adverse with respect to the presentation of the financial statements in conformity with accounting principles generally accepted in the United States because the presentation followed the regulatory basis of accounting for Oklahoma school districts as provided by the Oklahoma State Department of Education.. However, our report was qualified because the omission of the general fixed asset account group results in an incomplete presentation with respect to the presentation of financial statements on the regulatory basis of accounting authorized by the Oklahoma State Board of Education.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of District's internal control. Accordingly, we do not express an opinion on the effectiveness of District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, non-compliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

October 21, 2022



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**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH
MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY THE UNIFORM GUIDANCE**

To the Honorable Board of Education
Claremore Independent School District No. 1
Claremore, Rogers County, Oklahoma

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited the Claremore Independent School District No. 1, Claremore, Rogers County, Oklahoma's (the District) compliance with the types of compliance requirements identified as subject to audit in the OMB *Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2022. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2022.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. Code of *Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the "Auditor's Responsibilities for the Audit of Compliance" section of our report.

We are required to be independent of the District and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of the District's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or grant agreements applicable to the District's federal programs.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the District's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material non-compliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the District's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the District's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of the District's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Report on Internal Control over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the "Auditor's Responsibilities for the Audit of Compliance" section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Bledsoe, Hewett & Gullekson

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP

October 21, 2022

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
DISPOSITION OF PRIOR YEAR'S SIGNIFICANT DEFICIENCIES AND
MATERIAL INSTANCES OF NON-COMPLIANCE
JUNE 30, 2022**

There were no prior year significant deficiencies.

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF AUDIT RESULTS, FINDINGS AND QUESTIONED COSTS
JUNE 30, 2022

Section 1 – Summary of Auditor’s Results:

1. An adverse opinion was issued on the combined financial statements in the conformity with the generally accepted accounting principles, and a qualified opinion was issued for the omission of the general fixed asset account group on the combined financial statements in conformity with the regulatory basis of accounting prescribed by the Oklahoma State Department of Education.
2. The audit did not identify any material weaknesses and did not report any significant deficiencies not considered to be material weaknesses in the internal controls over financial reporting.
3. The audit disclosed no instances of noncompliance which are material to the financial statements.
4. The audit did not identify any material weaknesses and did not report any significant deficiencies not considered to be material weaknesses in the internal controls over major programs.
5. An unmodified report was issued on compliance for major programs in conformity with the regulatory basis of accounting.
6. The audit disclosed no audit findings which are required to be reported under the Uniform Guidance, 2 CFR 200.51(a)
7. Programs determined to be major are the COVID-19 Education Stabilization Fund-ESSER/ARP/CARES Act Programs (84.425C, 84.425D, 84.425U), which were not clustered in determination, and the IDEA-B Special Education Programs (84.027, 84.173), which were clustered in determination.
8. The dollar threshold used to determine between Type A and Type B programs was \$750,000.
9. The district was determined not to be a low-risk auditee.

Section 2 – Findings Relating to the Financial Statements Required to be Reported in Accordance with GAGAS:

NONE

Section 3 – Findings and Questioned Costs for Federal Awards:

NONE

COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINED STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE -
REGULATORY BASIS - ALL FUND TYPES AND ACCOUNT GROUPS
JUNE 30, 2022

<u>ASSETS</u>	<u>GOVERNMENTAL FUND TYPES</u>			<u>FIDUCIARY FUND TYPES EXPENDABLE TRUST AND AGENCY FUND</u>	<u>ACCOUNT GROUP GENERAL LONG-TERM DEBT</u>	<u>TOTALS</u>	
	<u>GENERAL</u>	<u>SPECIAL REVENUE</u>	<u>DEBT SERVICE</u>			<u>2022</u>	<u>2021</u>
Cash	\$ 4,529,516	1,989,926	352,823	1,447,810		14,275,250	8,916,605
Amounts available in debt service					352,823	352,823	568,967
Amounts to be provided for retirement of general long-term debt					14,440,652	14,440,652	8,031,033
Total Assets	\$ 4,529,516	1,989,926	352,823	1,447,810	14,793,475	29,068,725	17,516,605
<u>LIABILITIES AND FUND BALANCE</u>							
Liabilities:							
Warrants/checks payable	\$ 893,933	63,387				957,620	541,794
Encumbrances	32,115	466,646				540,461	1,308,254
Funds held for school organizations						1,205,964	998,940
Long-term debt:				1,205,964			
Bonds payable					14,225,000	14,225,000	8,600,000
Capital leases					568,475	568,475	
Total liabilities	926,048	530,033	0	1,205,964	14,793,475	17,497,520	11,448,988
Fund Balance:							
Restricted		1,459,893	352,823	241,846		7,967,737	2,710,258
Unassigned	3,603,468					3,603,468	3,357,359
Total fund balances	3,603,468	1,459,893	352,823	241,846	0	11,571,205	6,067,617
Total Liabilities and Fund Balance	\$ 4,529,516	1,989,926	352,823	1,447,810	14,793,475	29,068,725	17,516,605

The notes to the combined financial statements are an integral part of this statement

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN CASH FUND BALANCES
REGULATORY BASIS - ALL GOVERNMENTAL FUND TYPES
YEAR ENDED JUNE 30, 2022

	GOVERNMENTAL FUND TYPES			FIDUCIARY FUND TYPES	TOTALS	
	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	EXPENDABLE TRUST FUNDS	(Memorandum Only)
					2022	2021
Revenues:						
Local sources	\$ 7,505,746	1,116,874	3,858,024		20,525	13,095,518
Intermediate sources	1,351,267	137,355			1,488,622	1,295,660
State sources	17,370,347	1,954,052	21		19,324,420	15,673,737
Federal sources	5,276,248	14,463			5,290,711	4,914,974
Interest earnings	636	500	12,386		13,522	3,448
Return on assets	190,882				190,882	103,375
Total revenues	31,695,126	3,223,244	3,870,431	0	38,809,326	35,086,712
Expenditures:						
Instruction	19,315,797				157,469	18,374,840
Support services	11,981,400	1,071,735		4,794,455	81,441	14,288,473
Operation of non-instructional services	179,739	1,787,908			1,967,647	1,235,579
Facilities, acquisition & constr. services		206			206	29,243
Other outlays:						
Debt service requirements			4,086,575		4,086,575	4,246,788
Private nonprofit schools	1,407				1,407	1,366
Correcting entry/Reimbursements		500			500	1,518
Repayments	50,460				50,460	22,918
Total expenditures	31,528,803	2,860,349	4,086,575	4,794,455	238,910	38,200,725
Revenues over (under) expenditures	166,323	362,895	(216,144)	(4,794,455)	(218,385)	(3,114,013)
Other financing sources (uses):						
Adjustments to prior year encumbrances				4,714	21,178	147,910
Bond proceeds	79,786	47,676		10,050,000	10,050,000	3,520,000
Total other financing sources (uses)	79,786	47,676	0	10,054,714	21,178	3,667,910
Revenue and other sources over (under) expenditures and other uses	246,109	410,571	(216,144)	5,260,259	(197,207)	553,897
Cash fund balance, beginning of year	3,357,359	1,049,322	568,967	652,916	439,053	5,513,720
Cash fund balance, end of year	\$ 3,603,468	1,459,893	352,823	5,913,175	241,846	6,067,617

The notes to the combined financial statements are an integral part of this statement

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
REGULATORY BASIS - BUDGETED GENERAL FUND
YEAR ENDED JUNE 30, 2022

	GENERAL FUND			PRIOR YEAR (Memorandum Only)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Revenues:				
Local sources	\$ 6,759,189	6,759,189	7,505,746	7,321,193
Intermediate sources	1,163,023	1,163,023	1,351,267	1,295,660
State sources	16,017,764	16,017,764	17,370,347	15,659,975
Federal sources	5,915,296	6,674,721	5,276,248	3,525,892
Interest earnings			636	802
Non revenue receipts			190,882	103,015
Total revenues	<u>29,855,272</u>	<u>30,614,697</u>	<u>31,695,126</u>	<u>27,906,537</u>
Expenditures:				
Instruction	29,140,699	29,900,124	19,315,797	18,008,724
Support services	3,966,932	3,966,932	11,981,400	9,752,582
Operation of non-instructional services	100,000	100,000	179,739	123,353
Other outlays:				
Private nonprofit schools			1,407	1,366
Correcting entry/Reimbursements				1,158
Other uses/ Unbudgeted	5,000	5,000		
Repayments			50,460	22,918
Total expenditures	<u>33,212,631</u>	<u>33,972,056</u>	<u>31,528,803</u>	<u>27,910,101</u>
Revenues over (under) expenditures	(3,357,359)	(3,357,359)	166,323	(3,564)
Other financing sources (uses):				
Adjustments to prior year encumbrances	<u>0</u>	<u>0</u>	<u>79,786</u>	<u>61,470</u>
Revenue and other sources over (under) expenditures and other uses	(3,357,359)	(3,357,359)	246,109	57,906
Cash fund balance, beginning of year	<u>3,357,359</u>	<u>3,357,359</u>	<u>3,357,359</u>	<u>3,299,453</u>
Cash fund balance, end of year	<u>\$ 0</u>	<u>0</u>	<u>3,603,468</u>	<u>3,357,359</u>

The notes to the combined financial statements are an integral part of this statement

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
REGULATORY BASIS - ALL BUDGETED SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	SPECIAL REVENUE FUNDS			PRIOR YEAR (Memorandum Only)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Revenues				
Local sources	\$ 895,565	895,565	1,116,874	1,045,669
State sources	6,867	77,925	137,355	13,738
Federal sources	1,110,470	1,185,251	1,954,052	1,389,082
Interest earnings			14,463	458
Non revenue receipts			500	360
Total revenues	<u>2,012,902</u>	<u>2,158,741</u>	<u>3,223,244</u>	<u>2,449,307</u>
Expenditures				
Support services	1,313,166	1,384,224	1,071,735	936,956
Operation of non-instructional services	1,748,608	1,823,389	1,787,908	1,112,226
Facilities, acquisition & constr. services			206	
Other outlays:				
Correcting entry/Reimbursements	450	450	500	360
Total expenditures	<u>3,062,224</u>	<u>3,208,063</u>	<u>2,860,349</u>	<u>2,049,542</u>
Revenues over (under) expenditures	(1,049,322)	(1,049,322)	362,895	399,765
Other financing sources (uses)				
Adjustments to prior year encumbrances	<u>0</u>	<u>0</u>	<u>47,676</u>	<u>64,648</u>
Revenue and other sources over (under) expenditures and other uses	(1,049,322)	(1,049,322)	410,571	464,413
Cash fund balance, beginning of year	<u>1,049,322</u>	<u>1,049,322</u>	<u>1,049,322</u>	<u>584,909</u>
Cash fund balance, end of year	<u>\$ 0</u>	<u>0</u>	<u>1,459,893</u>	<u>1,049,322</u>

The notes to the combined financial statements are an integral part of this statement

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINED STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
REGULATORY BASIS - DEBT SERVICE FUNDS
YEAR ENDED JUNE 30, 2022

	DEBT SERVICE FUND			PRIOR YEAR (Memorandum Only)
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	
Revenues:				
Local sources	\$ 3,658,702	3,658,702	3,858,024	4,381,839
State sources			21	24
Interest earnings			12,386	2,188
Total revenues	<u>3,658,702</u>	<u>3,658,702</u>	<u>3,870,431</u>	<u>4,384,051</u>
Expenditures:				
Bonds	3,805,000	3,805,000	3,875,000	4,050,000
Coupons	211,050	211,050	211,575	196,788
Total expenditures	<u>4,016,050</u>	<u>4,016,050</u>	<u>4,086,575</u>	<u>4,246,788</u>
Revenues over (under) expenditures	(357,348)	(357,348)	(216,144)	137,263
Cash fund balance, beginning of year	<u>568,967</u>	<u>568,967</u>	<u>568,967</u>	<u>431,704</u>
Cash fund balance, end of year	<u>\$ 211,619</u>	<u>211,619</u>	<u>352,823</u>	<u>568,967</u>

The notes to the combined financial statements are an integral part of this statement

NOTES TO COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accompanying financial statements of the Claremore Public Schools Independent District, No. 1 (the “District”), have been prepared in conformity with another comprehensive basis of accounting prescribed by the Oklahoma State Department of Education as authorized by Oklahoma Statutes. Accordingly, the accompanying financial statements are not intended to present financial position and results of operations in conformity with the accounting principles generally accepted in the United States of America. The District’s accounting policies are described in the following notes that are an integral part of the District’s financial statements.

A. Reporting Entity

The District is a corporate body for public purposes created under Title 70 of the Oklahoma Statutes and accordingly is a separate entity for operating and financial reporting purposes. The District is part of the public school system of Oklahoma under the general direction and control of the State Board of Education and is financially dependent on State of Oklahoma support. The general operating authority for the public school system is the Oklahoma School Code contained in Title 70, Oklahoma Statutes.

The governing body of the District is the Board of Education composed of five elected members. The appointed superintendent is the executive officer of the District. The Board, constituting an on-going entity, is the level of government, which has governance responsibilities over all activities, related to public elementary and secondary school education within the jurisdiction of the local independent school district. The District receives funding from local, state and federal government sources and must comply with the requirements of these funding source entities. However, the District is not included in any other governmental “reporting entity” as defined in Section 2100, Codification of Governmental Accounting and Financial Reporting Standards, since Board members are elected by the public and have decision making authority, the power to designate management, the responsibility to significantly influence operations and primary accountability for fiscal matters.

In evaluating how to define the District, for financial reporting purposes, management has considered all potential component units. The decision to include a potential component unit in the reporting entity was made by applying the criteria established by the Governmental Accounting Standards Board (GASB). The basic – but not the only – criterion for including a potential component unit within the reporting entity is the governing body’s ability to exercise oversight responsibility. The most significant manifestation of this ability is financial interdependency. Other manifestations of the ability to exercise oversight responsibility include, but are not limited to, the selection of governing authority, the designation of management, the ability to significantly influence operations and accountability for fiscal matters. A second criterion used in evaluating potential component units is the scope of public service. Application of this criterion involves considering

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

A. Reporting Entity – cont'd

whether the activity benefits the District and/or its citizens, or whether the activity is conducted within the geographic boundaries of the District and is generally available to its patrons. A third criterion used to evaluate potential component units for inclusion or exclusion from the reporting entity is the existence of special financing relationships, regardless of whether the District is able to exercise oversight responsibilities. Based upon the application of these criteria, there are no potential component units included in the District's reporting entity.

B. Measurement Focus

The District uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain District functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. An account group, on the other hand, is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds are classified into three categories: Governmental, proprietary and fiduciary. Each category, in turn, is divided into separate "fund types."

Governmental Fund Types

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital projects funds), and the servicing of general long-term debt (debt service funds).

General Fund – The general fund is used to account for all financial transactions except those required to be accounted for in another fund. Major revenue sources include state and local property taxes and state funding under the Foundation and Incentive Aid Program. Expenditures include all costs associated with the daily operations of the schools except for programs funded for building repairs and maintenance, school construction and debt service on bonds and other long-term debt. The general fund includes federal and state restricted monies that must be expended for specific programs.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus - cont'd

Special Revenue Funds – Special revenue funds account for revenue sources that are restricted to expenditures for specific purposes. The special revenue funds typically include the building fund, co-op fund and child nutrition fund.

Building Fund – The building fund consists mainly of monies derived from property taxes levied for the purpose of erecting, remodeling, repairing, or maintaining school buildings and for purchasing furniture, equipment and computer software to be used on or for school district property, for paying energy and utility costs, for purchasing telecommunications services, for paying fire and casualty insurance premiums for school facilities, for purchasing security systems, and for paying salaries of security personnel.

Co-op Fund – The co-op fund is established when the boards of education of two or more school districts enter into cooperative agreements and maintain joint programs. The revenues necessary to operate a cooperative program can come from federal, state, or local sources, including the individual contributions of participating school districts. The expenditures for this fund would consist of those necessary to operate and maintain the joint programs. The District did not operate the co-op fund during the 2021-22 fiscal year.

Child Nutrition Fund - The child nutrition fund consists of monies derived from federal and state financial assistance and food sales. This fund is used to account for the various nutrition programs provided to students.

Debt Service Fund – The debt service fund is the District's sinking fund and is used to account for the accumulation of financial resources for the payment of general long-term (including judgments) debt principal, interest and related costs. The primary revenue sources are local property taxes levied specifically for debt service and interest earnings from temporary investments.

Capital Projects Fund – The capital projects fund is the District's bond fund and is used to account for the proceeds of bond sales to be used exclusively for acquiring school sites, constructing and equipping new school facilities, renovating existing facilities and acquiring transportation equipment.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus – cont'd

Fiduciary Fund Types

Fiduciary funds are used to account for assets held on behalf of outside parties, including other governments, or on behalf of other funds within the District. The terms “non-expendable” and “expendable” refer to whether or not the District is under an obligation to maintain the trust principal. Agency funds generally are used to account for assets that the District holds on behalf of others as their agent and do not involve measurement of results of operation.

Expendable Trust Funds – Expendable trust funds typically include the gifts and endowments fund.

Gifts and Endowments Fund – The gifts and endowments fund receives its assets by way of philanthropic foundations, individuals, or private organizations for which no repayment or special service to the contributor is expected. This fund is used to promote the general welfare of the District.

Agency Fund – The agency fund is the school activities fund which is used to account for monies collected principally through the fundraising efforts of students and District-sponsored groups. The administration is responsible, under the authority of the Board, for collecting, disbursing and accounting for these activity funds.

Account Groups

An account group is not a fund and consists of a self-balancing set of accounts used only to establish accounting control over long-term debt and fixed assets.

General Long-Term Debt Account Group – This account group is established to account for all the long-term debt of the District, which is offset by the amount available in the debt service fund and the amount to be provided in future years to complete retirement of the debt principal. It is also used to account for other liabilities (judgments and lease purchases) which are to be paid from funds provided in future years.

General Fixed Assets Account Group – This account group is used by governments to account for the property, plant and equipment of the school district. The District does not have the information necessary to include this group in its financial statements.

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

B. Measurement Focus – cont'd

Memorandum Only - Total Column

The total column on the combined financial statements – regulatory basis is captioned “memorandum only” to indicate that it is presented only to facilitate financial analysis. Data in this column does not present financial position or results of operations in conformity with accounting principles generally accepted in the United States. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

C. Basis of Accounting and Presentation

The District prepares its financial statements in a presentation format that is prescribed by the Oklahoma State Department of Education. This format is essentially the generally accepted form of presentation used by state and local governments prior to the effective date of GASB Statement No. 34, *Basic Financial Statements – Management’s Discussion and Analysis for State and Local Governments* with certain modifications. This format differs significantly from that required by GASB 34.

The financial statements are essentially prepared on the basis of cash receipts and disbursements modified as required by the regulations of the Oklahoma State Department of Education as follows:

- Encumbrances represented by purchase orders, contracts, and other commitments for the expenditure of monies are recorded as expenditures when approved.
- Investments are recorded as assets when purchased.
- Inventories of school supplies are recorded as expenditures and not as inventory assets.
- Warrants/checks payable are recorded as liabilities when issued.
- Long-term debt is recorded in the General Long-Term Debt Account Group and not in the basic financial statements.
- Compensated absences are recorded as expenditures when paid and not recorded as a liability.
- Fixed assets are recorded in the General Fixed Asset Account Group and not in the basic financial statements. Fixed assets are not depreciated.

This regulatory basis of accounting differs from accounting principles generally accepted in the United States of America, which require revenues to be recognized when they become available and measurable, or when they are earned, and expenditures or expenses to be recognized when the related liabilities are incurred for governmental fund types; and, when revenues are earned.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

C. Basis of Accounting and Presentation – cont'd

Basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied. All governmental type funds are accounted for using the regulatory basis of accounting. Revenues are recognized when they are received rather than earned and expenditures are generally recognized when encumbered/reserved rather than at the time the related fund liability is incurred. These practices differ from accounting principles generally accepted in the United States.

D. Budgets and Budgetary Accounting

The District is required by state law to prepare an annual budget. The Board of Education request an initial temporary appropriations budget from their County Excise Board before June 30. The District uses the temporary appropriation amounts as their legal expenditure limit until annual Estimate of Needs is completed.

A budget is legally adopted by the Board of Education for all funds (with the exception of the trust and agency funds) that includes revenues and expenditures. No later than October 1, each board of education shall prepare a financial statement and Estimate of Needs to be filed with the applicable County Clerk and the State Department of Education.

The 2021-22 Estimate of Needs was amended by supplemental appropriations as follows:

<u>Fund</u>	<u>Total</u>
General	\$ 759,425
Building	71,058
Child Nutrition	74,782
Sinking	70,525

These amendments were approved by the County Excise Board.

Encumbrances represent commitments related to unperformed contracts for goods or services. Encumbrance accounting – under which purchase orders and other commitments of resources are recorded as expenditures of the applicable fund – is utilized in all governmental funds of the District. Unencumbered appropriations lapse at the end of each fiscal year. While the Debt Service Fund is a governmental fund, a comparison of budget to actual schedule is presented in the financial statements, although the board can exercise no control of the revenue sources for this fund (except interest earnings), and no control over its expenditures.

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity

Cash and cash equivalents – The District considers all cash on hand, demand deposit accounts, and highly liquid investments, with an original maturity of three months or less when purchased, to be cash and cash equivalents.

Investments – The District considers investments of direct obligations of the United States government and agencies, certificates of deposits, savings accounts or savings certificates with maturities of greater than three months. All investments are recorded at cost, which approximates market value.

Inventories – The value of consumable inventories at June 30, 2022 is not material to the combined financial statements.

Fixed Assets and Property, Plant and Equipment – The District has not maintained a record of general fixed assets, and, accordingly, a General Fixed Assets Account Group required by the regulatory basis of accounting prescribed by the Oklahoma State Department of Education is not included in the financial statements. General fixed assets purchased are recorded as expenditures in the various funds at the time of purchase.

Warrants/checks Payable – Warrants/checks are issued to meet the obligations for goods and services provided to the District. The District recognizes a liability for the amount of outstanding warrants/checks that have yet to be redeemed by the District's bank.

Encumbrances – Encumbrances represent commitments related to purchase orders, contracts, other commitments for expenditures or resources, and goods or services received by the District for which a warrant has not been issued. An expenditure is recorded, and a liability is recognized for outstanding encumbrances at year end in accordance with the regulatory basis of accounting. While the regulatory basis that is used for the Debt Service Fund approximates full accrual accounting, the accruals recorded are reported to meet regulatory requirements, as opposed to the requirements of generally accepted accounting principles.

Compensated Absences – The District provides vacation and sick leave benefits in accordance with Title 70 of the Oklahoma Statutes, Article 6-104, which provides for annual sick leave and personal business days. The government-wide financial statements do not include any liability for any rights to receive vacation, sick leave, or other employee benefits.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

Funds Held for School Organizations – Funds held for school organizations represent the funds received or collected from students or other cocurricular and extracurricular activities conducted in the District, control over which is exercised by the board of education. These funds are credited to the account maintained for the benefit of each particular activity within the school activity fund.

Long-Term Debt – Long-term debt is recognized as a liability of a governmental fund when due, or when resources have been accumulated in the debt service fund for payment early in the following year. For other long-term obligations, only that portion expected to be financed from expendable available financial resources is reported as a fund liability of a governmental fund. The remaining portion of such obligations is reported in the general long-term debt account group.

Fund Balance – In the fund financial statements, governmental funds report the hierarchy of fund balances. The hierarchy is based primarily on the degree of spending constraints placed upon use of resources for specific purposes versus availability of appropriation. An important distinction that is made in reporting fund balance is between amounts that are considered *nonspendable* (i.e., fund balance associated with assets that are not in spendable form, such as inventories or prepaid items, long-term portions of loans and notes receivable, or items that are legally required to be maintained intact (such as the corpus of a permanent fund)) and those that are *spendable* (such as fund balance associated with cash, investments or receivables).

Amount in the spendable fund balance category is further classified as *restricted*, *committed*, *assigned* or *unassigned*, as appropriate.

Restricted fund balance represents amounts that are constrained either externally by creditors (such as debt covenants), grantors, contributors or laws or regulations of other governments; or by law, through constitutional provisions or enabling legislation.

Committed fund balance represents amounts that are useable only for specific purposes by formal action of the government's highest level of decision-making authority. Such amounts are not subject to legal enforceability (like restricted amounts), but cannot be used for any other purpose unless the government removes or changes the limitation by taking action similar to that which imposed the commitment.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

E. Assets, Liabilities and Fund Equity – cont'd

Assigned fund balance represents amounts that are intended to be used for specific purposes, but are neither restricted nor committed. Intent is expressed by the governing body itself, or a subordinated high-level body or official who the governing body has delegated the authority to assign amounts to be used for specific purposes. Assigned fund balances include all remaining spendable amounts (except negative balances) that are reported in governmental funds other than the general fund, that are neither restricted nor committed, and amounts in the general fund that are intended to be used for specific purposes in accordance with the provisions of the standard.

Unassigned fund balance is the residual classification for the general fund. It represents the amounts that have not been assigned to other funds, and that have not been restricted, committed, or assigned to specific purposes within the general fund.

F. Revenue and Expenditures

Local Revenues – Revenue from local sources is the money generated from within the boundaries of the District and available to the District for its use. The District is authorized by state law to levy property taxes which consist of ad valorem taxes on real and personal property within the District. These property taxes are distributed to the District's general, building and sinking funds based on the levies approved for each fund. The County Assessor, upon receipt of the certification of tax levies from the county excise board, extends the tax levies on the tax rolls for submission to the county treasurer prior to October 1. The county treasurer must commence tax collection within fifteen days of receipt of the tax rolls. The first half of taxes is due prior to January 1. The second half is due prior to April 1. If the first payment is not made in a timely manner, the entire tax becomes due and payable on January 2. Second half taxes become delinquent on April 1, of the year following the year of assessment. If not paid by the following October 1, the property is offered for sale for the amount of taxes due. The owner has two years to redeem the property by paying the taxes and penalty owed. If at the end of two years the owner has not done so, the purchaser is issued a deed to the property. Other local sources of revenues include tuition, fees, rentals, disposals, commissions and reimbursements.

Intermediate Revenues - Revenue from intermediate sources is the amount of money from funds collected by an intermediate administrative unit, or a political subdivision between the District and the state, and distributed to Districts in amounts that differ in proportion to those which are collected within such systems.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

State Revenues – Revenues from state sources for current operations are primarily governed by the state aid formula under the provisions of Article XVIII, Title 70, Oklahoma Statutes. The State Board of Education administers the allocation of state aid funds to school districts based on information accumulated from the Districts.

After review and verification of reports and supporting documentation, the State Department of Education may adjust subsequent fiscal period allocations of money for prior year errors disclosed by review. Normally, such adjustments are treated as reductions from or additions to the revenue of the year when the adjustment is made.

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical programs. The State Department of Education requires that categorical educational program revenues be accounted for in the general fund.

Federal Revenues – Federal revenues consist of revenues from the federal government in the form of operating grants or entitlements. An operating grant is a contribution to be used for a specific purpose, activity or facility. A grant may be received either directly from the federal government or indirectly as a passthrough from another government, such as the state. Entitlement is the amount of payment to which the District is entitled pursuant to an allocation formula contained in applicable statutes. The majority of the federal revenues received by the District are apportioned to the general fund. The District maintains a separate child nutrition fund and the federal revenues received for the child nutrition programs are apportioned there.

Non-Monetary Transactions – The District receives commodities from the U.S. Department of Agriculture. The value of these commodities has been included in the Schedule of Expenditures of Federal Awards; however, they have not been included in the financial statements as either revenue or expense since they are not reported under the regulatory basis of accounting.

Interest Earnings – Represent compensation for the use of financial sources over a period of time.

Non-Revenue Receipts – Non-revenue receipts represent receipts deposited into a fund that are not new revenues to the District, but the return of assets.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont'd

F. Revenue and Expenditures – cont'd

Instruction Expenditures – Instruction expenditures include the activities dealing directly with the interaction between teachers and students. Teaching may be provided for students in a school classroom, in another location, such as a home or hospital, and in other learning situations, such as those involving cocurricular activities. It may also be provided through some other approved medium, such as television, radio, telephone and correspondence. Included here are the activities of teacher assistants of any type (clerks, graders, teaching machines, etc.) which assist in the instructional process. The activities of tutors, translators and interpreters would be recorded here. Department chairpersons who teach for any portion of time are included here. Tuition/transfer fees paid to other LEAs would be included here.

Support Services Expenditures – Support services expenditures provide administrative, technical (such as guidance and health) and logistical support to facilitate and enhance instruction. These services exist as adjuncts for fulfilling the objectives of instruction, community services and enterprise programs, rather than as entities within themselves.

Operation of Non-Instructional Services Expenditures – Activities concerned with providing non-instructional services to students, staff or the community.

Facilities Acquisition and Construction Services Expenditures – Consists of activities involved with the acquisition of land and buildings; remodeling buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment; and improvements to sites.

Other Outlays Expenditures – A number of outlays of governmental funds are not properly classified as expenditures, but still require budgetary or accounting control. These are classified as Other Outlays. These include debt service payments (principal and interest).

Other Uses Expenditures – This includes scholarships provided by private gifts and endowments; student aid and staff awards supported by outside revenue sources (i.e., foundations). Also, expenditures for self-funded employee benefit programs administered either by the District or a third-party administrator.

Repayment Expenditures – Repayment expenditures represent checks/warrants issued to outside agencies for refund or restricted revenue previously received for overpayment, non-qualified expenditures and other refunds to be repaid from District funds.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES – cont’d

F. Revenue and Expenditures – cont’d

Inter-fund Transactions – Quasi-external transactions are accounted for as revenues, expenditures or expenses. Transactions that constitute reimbursements to a fund or expenditures/expenses initially made from it that are properly applicable to another fund, are recorded as expenditures/expenses in the fund that is reimbursed.

All other inter-fund transactions, except quasi-external transactions and reimbursements, are reported as transfers. Nonrecurring or nonroutine permanent transfers of equity are reported as residual equity transfers. During the 2021-22 fiscal year, the District had no inter-fund transfers.

2. CASH AND INVESTMENTS

Custodial Credit Risk – Custodial credit risk is the risk that in the event of a bank failure, the District’s deposits may not be returned to the District. The District’s cash deposits and investments at June 30, 2022, were \$14,295,642 at financial institutions, and were completely insured or collateralized by federal depository insurance, direct obligations of the U.S. Government, or securities held by the District or by its agent in the District’s name.

Investment Interest Rate Risk – Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. Due to the required liquidity for those investments, these funds have no defined maturity dates. The District does not have a formal policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates.

Investment Credit risk – Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The District does not have a formal policy limiting its investment choices, other than the limitation of state law as follows:

- Direct obligations of the U.S. Government, its agencies and instrument to which the full faith and credit of the U.S. Government is pledged, or obligations to the payment of which the full faith and credit of the State is pledged.
- Certificates of deposit or savings accounts that are either insured or secured with acceptable collateral with in-state financial institutions, and fully insured certificates of deposit or savings accounts in out-of-state financial institutions.
- With certain limitation, negotiable certificates of deposit, prime bankers acceptances, prime commercial paper and repurchase agreements with certain limitations.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

2. CASH AND INVESTMENTS – cont'd

- County, municipal or school district tax supported debt obligations, bond or revenue anticipation notes, money judgments, or bond or revenue anticipation notes of public trusts whose beneficiary is a county, municipality, or school district.
- Notes or bonds secured by mortgage or trust deed insured by the Federal Housing Administrator and debentures issued by the Federal Housing Administrator, and in obligations of the National Mortgage Association.
- Money market funds regulated by the SEC and in which investments consist of the investments mentioned in the previous bullet items.

Concentration of Investment Credit Risk – The District places no limit on the amount it may invest in any one issuer.

3. INTERFUND RECEIVABLES AND PAYABLES

There were no interfund receivables or payables at June 30, 2022.

4. GENERAL LONG-TERM DEBT

State statutes prohibit the District from becoming indebted in an amount exceeding the revenue to be received for any fiscal year without approval by the District's voters. Bond issues have been approved by the voters and issued by the District for various capital improvements. These bonds are required to be fully paid serially within 25 years of the date of issue.

General long-term debt of the District consists of bonds payable and capital leases. Debt service requirements for bonds and judgments are paid solely from the fund balance and the future revenues of the debt service fund, and capital leases are paid from other funds.

The following is a summary of the long-term debt transactions of the District for the year ended June 30, 2022:

	<u>Bonds Payable</u>	<u>Capital Leases</u>	<u>Totals</u>
Balance, July 1, 2021	\$ 8,600,000	0	8,600,000
Additions	9,500,000	568,475	10,068,475
Retirements	<u>(3,875,000)</u>	<u>0</u>	<u>(3,875,000)</u>
Balance, June 30, 2022	<u>\$ 14,225,000</u>	<u>568,475</u>	<u>14,793,475</u>

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

4. GENERAL LONG-TERM DEBT – cont'd

A brief description of the outstanding long-term debt at June 30, 2022, is set forth below:

<u>General Obligation Bonds:</u>	<u>Amount Outstanding</u>
Building Bonds, Series 2018, original issue \$4,805,000, interest rate of 2.5% to 3.0%, due in initial payment of \$605,000, then annual installments of \$1,400,000, final payment due 7-01-23	\$ 1,400,000
Combined Purpose Bonds, Series 2019, original issue \$1,400,000, interest rate of 1.8% to 2.65%, due in annual installments of \$350,000, final payment due 6-01-24	700,000
Combined Purpose Bonds, Series 2020, original issue \$3,500,000, interest rate of 1.35% to 1.50%, due in annual installments of \$875,000, final payment due 7-01-25	2,625,000
Combined Purpose Bonds, Series 2021, original issue \$4,500,000, interest rate of 0.35% to 1.00%, due in annual installments of \$1,125,000, final payment due 7-01-26	4,500,000
Combined Purpose Bonds, Series 2022, original issue \$5,000,000, interest rate of 2.00%, due in annual installments of \$1,250,000, final payment due 5-01-27	5,000,000
<u>Capital Leases:</u>	
Lease purchase for Football Stadium Video Board, dated 1-19-22, for \$568,475, due in annual principal and interest installments of varying amounts, final payment due 1-19-32	<u>568,475</u>
Total Long-Term Debt	<u>\$ 14,793,475</u>

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

4. GENERAL LONG-TERM DEBT – cont'd

The annual debt service requirements for retirement of bond principal, capital lease principal and payment of interest are as follows:

Year Ending June 30	Principal	Interest	Total
2023	\$ 2,675,811	240,566	2,916,377
2024	3,652,066	183,310	3,835,376
2025	3,303,353	126,875	3,430,228
2026	2,429,670	72,558	2,502,228
2027	2,431,021	40,582	2,471,603
2028-31	301,554	22,709	324,263
Total	<u>\$ 14,793,475</u>	<u>686,600</u>	<u>15,480,075</u>

Interest paid on general long-term debt during the 2021-22 fiscal year totaled \$211,575.

5. FINANCING AGREEMENT

The District had the following Lease Purchase Financing Agreements at June 30, 2022:

On October 8, 2019, the District entered into a \$17,265,000 Lease Purchase Financing Agreement with Rogers County Educational Facilities Authority to provide funds for the constructing, equipping, repairing and remodeling of school buildings, acquiring furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Claremore School District. Also, on October 1, 2019, the District, as lessor, entered into a ground lease agreement, for certain district property, with Rogers County Educational Facilities Authority. A Trust Agreement, also dated October 1, 2019, was entered between the lessee, the lessor, and Specialized Lending, LLC, wherein Specialized Lending, LLC, agrees to hold and administer various funds and accounts used in conjunction with this lease-purchase financing. The agreement calls for 10 annual acquisition payments. The acquisition payments will be paid with bond proceeds, pursuant to the issuance of series bonds, passed by electors of the District. Claremore Public Schools will gain ownership to the capital improvements incrementally as each payment is made. The lease payments are shown as general long-term debt on the combined statement assets, liabilities, and fund balance under bonds payable as each series of bonds is sold.

On May 1, 2020, the District entered into a \$13,500,000 Lease Purchase Financing Agreement with Rogers County Educational Facilities Authority to provide funds for the constructing, equipping, repairing and remodeling of school buildings, acquiring furniture, fixtures and equipment and acquiring and improving school sites for the benefit of the Claremore School District. Also, on May 1, 2020, the District, as lessor, entered into a ground lease agreement, for certain district property, with RCB Bank. A Trust Agreement,

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

5. FINANCING AGREEMENT – cont'd

also dated May 1, 2020, was entered between the lessee, the lessor, and RCB Bank, wherein RCB Bank, agrees to hold and administer various funds and accounts used in conjunction with this lease-purchase financing. The agreement calls for 10 annual acquisition payments. The acquisition payments will be paid with bond proceeds, pursuant to the issuance of series bonds, passed by electors of the District. Claremore Public Schools will gain ownership to the capital improvements incrementally as each payment is made. The lease payments are shown as general long-term debt on the combined statement assets, liabilities, and fund balance under bonds payable as each series of bonds is sold.

These agreements are not classified as long-term debt on the District financial statements, since the actual debt does not belong to the District. Current and future bond proceeds from the District's general obligation bonds are used to pay these lease purchase obligations.

6. EMPLOYEE RETIREMENT SYSTEM

Description of Plan

The District participates in the state-administered Oklahoma Teachers' Retirement System, which is a cost sharing, multiple-employer defined benefit public employee retirement system (PERS), which is administered by the Board of Trustees of the Oklahoma Teachers' Retirement System (the "System"). The System provides retirement and disability benefits, annual cost-of-living adjustments, and death benefits to plan members and beneficiaries. Title 70 Section 17 of the Oklahoma Statutes establishes benefit provisions and may be amended only through legislative action. The Oklahoma Teachers' Retirement System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Oklahoma Teachers' Retirement System, P.O. Box 53624, Oklahoma City, OK 73152, or by calling 405-521-2387.

Basis of Accounting

The System's financial statements are prepared using the cash basis of accounting, except for accruals of interest income. Plan member contributions are recognized in the period in which the contributions are made. Benefits and refunds are recognized when paid. The pension benefit obligation is a standardized disclosure measure of the present value of pension benefits. This pension valuation method reflects the present value of estimated pension benefits that will be paid in future years as a result of employee services performed to date and is adjusted for the effect of projected salary increases. There are no actuarial valuations performed on individual school districts. The System has an under-funded pension benefit obligation as determined as part of the latest actuarial valuation.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

6. EMPLOYEE RETIREMENT SYSTEM – cont'd

Funding Policy

The District, the State of Oklahoma, and the participating employee make contributions. The contribution rates for the District and its employees are established by and may be amended by Oklahoma Statutes. The rates are not actuarially determined. The rates are applied to the employee's earnings plus employer-paid fringe benefits. The required contribution for the participating members is 7.0% of compensation. Contributions received by the System from the State of Oklahoma are used to offset required employer contributions by the local school district. For the 2021-22 fiscal year, the District contributed 9.5% and the State of Oklahoma contributed the remaining amount during the year. The District is allowed by Oklahoma Teachers' Retirement System to make the required contributions on behalf of the participating members. In addition, if a member's salary is paid in part by federal or private funds, the contribution on that portion of the salary paid by those funds must be matched by the District at 7.70%.

Annual Pension Cost

The District's total contributions for 2022, 2021 and 2020 were \$2,768,256, \$2,525,522 and \$2,512,381, respectively. Ten-year historical trend information is presented in the Teacher's Retirement System of Oklahoma Annual Report for the year ended June 30, 2022. This information is useful in assessing the pension plan's accumulation of sufficient assets to pay pension benefits as they become due. Please visit www.ok.gov/TRS for all plan information.

GASB Statement 68 became effective for fiscal years beginning after June 15, 2014, and significantly changes pension accounting and financial reporting for governmental employers who participate in a pension plan, such as the System, and who prepare published financial statements on an accrual basis using Generally Accepted Accounting Principles. Since the District does not prepare and present their financial statements on an accrual basis, the net pension amount is not required to be presented on the audited financial statements.

7. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; or acts of God. The District purchases commercial insurance to cover these risks, including general and auto liability, property damage, and public officials liability. Settled claims resulting from risks have not exceeded the commercial insurance coverage in any of the past three fiscal years.

The District is also a member of the Oklahoma State School Boards Association (OSSBA) Employment Services program, which helps to cover the cost of unemployment claims. Depending on the level of membership the District elects, the District makes a deposit into an account administered by OSSBA, or will make payments periodically as needed. The money contributed by each District earns interest and is fully insured. If the District has claims in excess of the amount in its account, it will be liable for the excess.

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
NOTES TO THE COMBINED FINANCIAL STATEMENTS – REGULATORY BASIS
FOR THE YEAR ENDED JUNE 30, 2022**

8. CONTINGENCIES

Federal Grants

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amounts, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Schedule of Expenditure of Federal Awards

The schedule shows the federal awards received and expended by the District during the 2021-22 fiscal year. The Uniform Guidance Audits of States, Local Governments and Non-Profit Organizations, established uniform audit requirements for nonfederal entities which expended more than \$750,000 in federal awards.

Litigation

The District is a defendant in one lawsuit. Although the outcome of this lawsuit is not presently determinable, the District believes that the resolution of this matter will not have a material adverse effect on the financial condition of the District. Should the judgment be awarded against the District, it would be levied through the Districts sinking fund over a three-year period pursuant to state law. This outcome will not have a material effect on the District's financial statements.

SUPPLEMENTARY INFORMATION

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
JUNE 30, 2022

<u>ASSETS</u>	<u>BUILDING FUND</u>	<u>CHILD NUTRITION FUND</u>	<u>TOTALS (Memorandum Only) 2022</u>	<u>2021</u>
Cash	<u>\$ 731,249</u>	<u>1,258,677</u>	<u>1,989,926</u>	<u>1,284,511</u>
 <u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Warrants/checks payable	\$ 35,163	28,224	63,387	2,067
Encumbrances	<u>145,166</u>	<u>321,480</u>	<u>466,646</u>	<u>233,122</u>
Total liabilities	<u>180,329</u>	<u>349,704</u>	<u>530,033</u>	<u>235,189</u>
Fund Balance:				
Restricted	<u>550,920</u>	<u>908,973</u>	<u>1,459,893</u>	<u>1,049,322</u>
Total Liabilities and Fund Balance	<u>\$ 731,249</u>	<u>1,258,677</u>	<u>1,989,926</u>	<u>1,284,511</u>

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN CASH FUND BALANCES - REGULATORY BASIS - ALL SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022**

	BUILDING FUND	CHILD NUTRITION FUND	TOTALS (Memorandum Only)	
			2022	2021
Revenues:				
Local sources	\$ 1,073,699	43,175	1,116,874	1,045,669
State sources	122,053	15,302	137,355	13,738
Federal sources		1,954,052	1,954,052	1,389,082
Interest earnings	4,523	9,940	14,463	458
Non revenue receipts		500	500	360
Total revenues	<u>1,200,275</u>	<u>2,022,969</u>	<u>3,223,244</u>	<u>2,449,307</u>
Expenditures:				
Support services	1,071,735		1,071,735	936,956
Operation of non-instructional services		1,787,908	1,787,908	1,112,226
Facilities, acquisition & contr. services	206		206	
Other outlays:				
Correcting entry/Reimbursements		500	500	360
Total expenditures	<u>1,071,941</u>	<u>1,788,408</u>	<u>2,860,349</u>	<u>2,049,542</u>
Revenues over (under) expenditures	128,334	234,561	362,895	399,765
Other financing sources (uses):				
Adjustments to prior year encumbrances	<u>4,985</u>	<u>42,691</u>	<u>47,676</u>	<u>64,648</u>
Revenue and other sources over (under) expenditures and other uses	133,319	277,252	410,571	464,413
Cash fund balance, beginning of year	<u>417,601</u>	<u>631,721</u>	<u>1,049,322</u>	<u>584,909</u>
Cash fund balance, end of year	<u>\$ 550,920</u>	<u>908,973</u>	<u>1,459,893</u>	<u>1,049,322</u>

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL -
- REGULATORY BASIS - ALL BUDGETED SPECIAL REVENUE FUNDS
YEAR ENDED JUNE 30, 2022

	BUILDING FUND			CHILD NUTRITION FUND		
	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL	ORIGINAL BUDGET	FINAL BUDGET	ACTUAL
Revenues:						
Local sources	\$ 895,565	895,565	1,073,699			43,175
State sources		71,058	122,053	6,867	6,867	15,302
Federal sources				1,110,470	1,185,251	1,954,052
Interest earnings			4,523			9,940
Non revenue receipts						500
Total revenues	<u>895,565</u>	<u>966,623</u>	<u>1,200,275</u>	<u>1,117,337</u>	<u>1,192,118</u>	<u>2,022,969</u>
Expenditures:						
Support services	1,313,166	1,384,224	1,071,735			
Operation of non-instructional services				1,748,608	1,823,389	1,787,908
Facilities, acquisition & constr. services			206			
Other outlays:						
Correcting entry/Reimbursements				450	450	500
Total expenditures	<u>1,313,166</u>	<u>1,384,224</u>	<u>1,071,941</u>	<u>1,749,058</u>	<u>1,823,839</u>	<u>1,788,408</u>
Revenues over (under) expenditures	(417,601)	(417,601)	128,334	(631,721)	(631,721)	234,561
Other financing sources (uses):						
Adjustments to prior year encumbrances	<u>0</u>	<u>0</u>	<u>4,985</u>	<u>0</u>	<u>0</u>	<u>42,691</u>
Revenue and other sources over (under) expenditures and other uses	(417,601)	(417,601)	133,319	(631,721)	(631,721)	277,252
Cash fund balance, beginning of year	<u>417,601</u>	<u>417,601</u>	<u>417,601</u>	<u>631,721</u>	<u>631,721</u>	<u>631,721</u>
Cash fund balance, end of year	<u>\$ 0</u>	<u>0</u>	<u>550,920</u>	<u>0</u>	<u>0</u>	<u>908,973</u>

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - REGULATORY BASIS - ALL CAPITAL PROJECT FUNDS
JUNE 30, 2022

ASSETS	BOND FUND (31)	BOND FUND (32)	BOND FUND (33)	BOND FUND (34)	BOND FUND (35)	BOND FUND (36)	BOND FUND (37)	BOND FUND (38)	BOND FUND (39)	TOTALS (Memorandum Only)	
										2022	2021
Cash	\$ 5,587	16,041	9,420	149,562	368,498	118,705	334,600	4,852,762	100,000	5,955,175	691,096
LIABILITIES AND FUND BALANCE											
Liabilities:											
Warrants/checks payable	\$							300		300	0
Encumbrances						41,700				41,700	38,180
Total liabilities		0	0	0	0	41,700	0	300	0	42,000	38,180
Fund Balance:											
Restricted	5,587	16,041	9,420	149,562	368,498	77,005	334,600	4,852,462	100,000	5,913,175	652,916
Total Liabilities and Fund Balance	\$ 5,587	16,041	9,420	149,562	368,498	118,705	334,600	4,852,762	100,000	5,955,175	691,096

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN CASH FUND BALANCES - REGULATORY BASIS - ALL CAPITAL PROJECTS FUNDS
YEAR ENDED JUNE 30, 2022

	BOND FUND (31)	BOND FUND (32)	BOND FUND (33)	BOND FUND (34)	BOND FUND (35)	BOND FUND (36)	BOND FUND (37)	BOND FUND (38)	BOND FUND (39)	TOTALS (Memorandum Only) 2022	2021
Revenue:											
Local sources	\$ 0	0	0	0	0	0	0	0	0	0	0
Expenditures:											
Instruction											13,418
Support Services		14,191			4,331	4,022,995	65,400	47,538		4,794,455	3,008,335
Other outlays:											
Correcting entry/Reimbursements					320,000		320,000				
Total expenditures	0	14,191	0	0	324,331	4,022,995	385,400	47,538	0	4,794,455	3,021,753
Revenues over (under) expenditures	0	(14,191)	0	0	(324,331)	(4,022,995)	(385,400)	(47,538)	0	(4,746,917)	(3,021,753)
Other financing sources (uses):											
Adjustments to prior year encumbrances			4,634	80						4,714	21,792
Bond sales proceeds					320,000	4,010,000	720,000	4,900,000	100,000	10,050,000	3,520,000
Total other financing sources (uses)	0	0	4,634	80	320,000	4,010,000	720,000	4,900,000	100,000	10,054,714	3,541,792
Revenue and other sources over (under) expenditures and other uses	0	(14,191)	4,634	80	(4,331)	(12,995)	334,600	4,852,462	100,000	5,307,797	520,039
Cash fund balance, beginning of year	5,587	30,232	4,786	149,482	372,829	90,000	0	0	0	652,916	132,877
Cash fund balance, end of year	\$ 5,587	16,041	9,420	149,562	368,498	77,005	334,600	4,852,462	100,000	5,913,175	652,916

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF ASSETS, LIABILITIES AND
FUND BALANCE - REGULATORY BASIS - ALL FIDUCIARY FUND TYPES
JUNE 30, 20202

	Expendable Trust Fund Gifts and Endowments Fund	Agency Funds School Activity Funds	TOTALS (Memorandum Only)	
			2022	2021
<u>ASSETS</u>				
Cash	\$ 241,846	1,205,964	1,447,810	2,211,591
<u>LIABILITIES AND FUND BALANCE</u>				
Liabilities:				
Encumbrances	\$			773,598
Funds held for school organizations		1,205,964	1,205,964	998,940
Total liabilities	0	1,205,964	1,205,964	1,772,538
Fund Balance:				
Restricted	241,846	0	241,846	439,053
Total Liabilities and Fund Balance	\$ 241,846	1,205,964	1,447,810	2,211,591

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REGULATORY BASIS - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Balance July 1, 2021	Additions	Net Adjustments	Deletions	Balance June 30, 2022
<u>ASSETS</u>					
Cash	\$ 998,940	1,449,117	0	1,242,093	1,205,964

LIABILITIES

Funds held for school organizations:

Claremore High School:

Art	\$ 1,582	7,014		5,818	2,778
Athletics	39,494	130,558		130,148	39,904
Metro Athletic Assn.	5,070	5,275		8,398	1,947
Beginning Change	3,000	3,000		3,000	3,000
Cheerleaders	14,136	17,604		23,934	7,806
Freshmen Account	217	740	(218)	416	323
Sophomore Account	1,241	504	(1,024)	220	501
Junior Account	519	1,615	722	1,022	1,834
Senior Account	12,124	26,774	520	13,709	25,709
Baseball	6,017	32,665		26,888	11,794
Boys Basketball	250	3,550		2,443	1,357
Football	32,052	69,488		46,307	55,233
Boys Golf	442	0		50	392
Softball	6,119	8,274		7,408	6,985
Boys Tennis	1,301	11,970		11,262	2,009
Cross Country/Track	15,811	9,596		10,292	15,115
Wrestling	3,224	19,883		8,796	14,311
Computer Programming	0	402		320	82
Chemistry	212	150		128	234
Fellowship of Christian Athletes	68	0		0	68
FFA	17,621	53,144	20	56,400	14,385
French Club - World Language	1,837	0		30	1,807
German Club	307	0		0	307
Miscellaneous Activity	3,787	5,732		6,838	2,681
Recycling	92	289		58	323
Interest Account	2,000	376		1,610	766
Library	2,042	1,405		984	2,463
Electronic Entertainment/Media	2,523	2,534		1,995	3,062
Math Club	4,193	129		246	4,076
Band	986	54,546		38,030	17,502
Vocal Music	7,559	26,308		28,109	5,758
Athletic Trainer	6,259	0		1,912	4,347
National Honor Society	34,592	13,779		5,766	42,605
Engineering/ Robotics	782	0		0	782
Colorguard	598	7,028		7,098	528
Vending	150	0		0	150

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REGULATORY BASIS - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Balance <u>July 1, 2021</u>	<u>Additions</u>	Net <u>Adjustments</u>	<u>Deletions</u>	Balance <u>June 30, 2022</u>
<u>ASSETS</u>					
SADD	\$ 1,213	40		80	1,173
Science (Mash)	1,428	80		89	1,419
Theater	4,845	3,992		1,783	7,054
Student Council	5,902	17,017		16,198	6,721
Forensics	275	0		0	275
Musical Productions	552	37,309		23,949	13,912
Before and After School	20	0	(20)	0	0
FCCLA	844	3,036		2,811	1,069
Girls Basketball	2,345	3,000		2,741	2,604
Counselors	4,164	470		2,765	1,869
Graduates	732	27,050		26,375	1,407
9th Grade Girls Basketball	355	0		0	355
Girls Golf	552	0		20	532
Boys Soccer	2,352	0		449	1,903
Teachers Account	1,766	0		0	1,766
Girls Tennis	101	0		0	101
AP Exams	6,645	6,563		7,736	5,472
Young Democrats Club	274	690		552	412
Young Republicans Club	174	120		173	121
Psychology	162	0		0	162
FFA Booster Club	2,538	832		708	2,662
Gymnastics	562	0		562	0
Grants	16,293	18,178		22,845	11,626
Clearing Account	0	45		45	0
Native America Club	499	0		0	499
Yearbook	3,764	6,010		3,602	6,172
Credit Recovery	14,584	5,481		0	20,065
Academic Team	1,166	310		719	757
Girls Soccer	473	1,340		642	1,171
Volleyball	14,652	3,260		10,881	7,031
Dance Team	12,866	88,339		97,415	3,790
NJROTC-Students	16,449	12,600		7,834	21,215
NJROTC-Special	4,292	10,140		2,539	11,893
Female Fitness Club	274	188		0	462
FUZE (CHS Mentor Program)	5	927		685	247
SPARK	730	0		0	730
ZUAC	6,950	5,305		746	11,509
Dead Poets Society	12	0		0	12
SAGA	636	254		403	487
Knit Club	78	265		296	47
Am Sign Language Club	120	0		0	120
Christian Club	92	10		64	38
CHS Homecoming	0	2,536		2,020	516
Subtotal	<u>\$ 359,943</u>	<u>769,719</u>	<u>0</u>	<u>687,362</u>	<u>442,300</u>

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REGULATORY BASIS - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Balance July 1, 2021	Additions	Net Adjustments	Deletions	Balance June 30, 2022
<u>ASSETS</u>					
Will Rogers Junior High:					
Art	\$ 51	2,393		1,436	1,008
Athletics	25,510	25,873		24,859	26,524
Beginning Change	909	900	(9)	900	900
Cheerleaders	14,543	4,450		6,230	12,763
International Club	320	0		0	320
Miscellaneous Activity	2,181	3,330		3,186	2,325
Library	5,098	6,398		6,486	5,010
Band	4,272	14,960		12,516	6,716
Vocal Music	6,805	19,339		23,194	2,950
National Honor Society	2,111	440		830	1,721
Engineering/Robotics	113	900		900	113
STEM Club	2,024	0		79	1,945
Science	2,507	33	9	315	2,234
Student Council	3,507	312		537	3,282
Counselors	24	583		0	607
Archery	3,880	0		0	3,880
Principals Account	6,858	0		3,151	3,707
Teachers Account	845	280		41	1,084
Grants	101	3,499		3,400	200
Yearbook	5,717	4,930		4,064	6,583
Dance Team	2,105	1,030		343	2,792
Tech Ed. Student Assn.	6,669	51,253		49,437	8,485
Chess Club	603	0		0	603
Bullying Prevention	610	0		0	610
Hands-On Exploration	2,085	0		0	2,085
Subtotal	<u>\$ 99,448</u>	<u>140,903</u>	<u>0</u>	<u>141,904</u>	<u>98,447</u>
Claremont Upper Elementary:					
Art	\$ 5	0		0	5
Charity	83	0		0	83
Miscellaneous Activity	1,127	955		1,741	341
Library	41	7,214		7,013	242
PTO	4,173	0		0	4,173
Principal's Account	12,365	6,022		6,290	12,097
Teachers' Account	37,700	660		703	37,657
Grants	7,460	1,259		8,651	68
Clearing Account	0	12		12	0
Running Club	711	0		0	711
Playground Equipment	17,832	11,723		129	29,426
Subtotal	<u>\$ 81,497</u>	<u>27,845</u>	<u>0</u>	<u>24,539</u>	<u>84,803</u>

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REGULATORY BASIS - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	Balance <u>July 1, 2021</u>	<u>Additions</u>	Net <u>Adjustments</u>	<u>Deletions</u>	Balance <u>June 30, 2022</u>
<u>ASSETS</u>					
Roosa Elementary:					
Art	\$ 1,624	0		0	1,624
Miscellaneous Activity	66,936	24,142		26,132	64,946
Recycling	436	0		0	436
Library	1,669	7,919		6,374	3,214
Outdoor Classroom	507	0	(507)	0	0
Vocal Music	678	0	(171)	0	507
STEM Club	0	1	678	0	679
PTO	2,494	5,902		5,205	3,191
Principals Account	0	41		0	41
Teachers Account	297	0		241	56
Grants	852	9,950		9,851	951
Clearing Account	0	63		63	0
Yearbook	970	1,225		990	1,205
Running Club	1,388	165		748	805
Subtotal	<u>\$ 77,851</u>	<u>49,408</u>	<u>0</u>	<u>49,604</u>	<u>77,655</u>
Westside Elementary:					
Miscellaneous Activity	\$ 15,349	44,168		21,063	38,454
Library	1,884	8,714		8,599	1,999
Vocal Music	579	0		454	125
Counselors	445	0		0	445
PTO	44,888	41,213		3,689	82,412
Grants	4,415	2,218		5,203	1,430
Clearing Account	1,339	53	(1,339)	53	0
Yearbook	0	2,503	1,339	2,887	955
Running Club	1,763	2,347		2,119	1,991
Subtotal	<u>\$ 70,662</u>	<u>101,216</u>	<u>0</u>	<u>44,067</u>	<u>127,811</u>
AL Activity	<u>\$ 70</u>	<u>996</u>	<u>0</u>	<u>829</u>	<u>237</u>
Catalayah Elementary:					
Art	\$ 42	100		0	142
Miscellaneous Activity	22,874	19,477		22,168	20,183
Library	2,608	11,789		9,431	4,966
Vocal Music	570	0		482	88
Counselors	319	0		60	259
PTO	31,497	232		7,309	24,420
Grants	0	2,882		1,058	1,824
Clearing Account	0	64		64	0
Running Club	3,443	1,920		1,032	4,331
Subtotal	<u>\$ 61,353</u>	<u>36,464</u>	<u>0</u>	<u>41,604</u>	<u>56,213</u>

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
REGULATORY BASIS - ALL AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2022

	<u>Balance</u> <u>July 1, 2021</u>	<u>Additions</u>	<u>Net</u> <u>Adjustments</u>	<u>Deletions</u>	<u>Balance</u> <u>June 30, 2022</u>
<u>ASSETS</u>					
Administration:					
Miscellaneous Activity	\$ 98,267	39,432		75,032	62,667
Drug Testing	4,769	11,604		9,760	6,613
Proj. CEEP Misc. Activity	2,703	1,000		1,175	2,528
Before & After School	56,436	193,802		162,109	88,129
Grants	6,096	0		1	6,095
Performing Arts Center	3,222	2,203		3,667	1,758
Central Office Staff	287	0		0	287
Am. Sign Language Club	290	0		290	0
Tech Pro. Plan	74,044	74,524		150	148,418
Technology Dept.	2,000	0		0	2,000
Gear Up RLA	2	1		0	3
Subtotal	<u>\$ 248,116</u>	<u>322,566</u>	<u>0</u>	<u>252,184</u>	<u>318,498</u>
 Total Liabilities	 <u>\$ 998,940</u>	 <u>1,449,117</u>	 <u>0</u>	 <u>1,242,093</u>	 <u>1,205,964</u>

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
REGULATORY BASIS**

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>Total Expenditures</u>
<u>U.S. Department of Education</u>		
<u>Direct Programs:</u>		
Indian Education	84.060	\$ 306,372
<u>Passed Through State Department of Education:</u>		
Title I-Part A. Improving Basic Programs	84.010	749,718
Title II-Part A. Teacher & Principal Training	84.367	129,860
Title III-Part A English Language Acquisition	84.365	24,157
Title IV. Part A	84.424	46,070
Title IX-Part A Homeless	84.196	20,531
ARP IDEA-B Flowthrough COVID-19	84.027X	42,487
* Special Education Programs-		
Special Education. Flow Through. P.L. 105-17	84.027	802,319
Special Education. Flow Through Professional Development District	84.027	4,270
Special Education. Flow Through Certification Exam	84.027	388
Special Education. High Needs Tier 2	84.027	71,914
Special Education. Preschool. Ages 3-5. P.L. 105-17	84.173	13,195
Total IDEA-B Special Education Cluster		<u>892,086</u>
* COVID-19 - Education Stabilization Fund (ESF)		
GEER CARES	84.425C	46,245
COVID-19 Prevention	84.425D	95,005
Oklahoma Recovery Grant Embrace	84.425D	51,496
ESSER II	84.425D	576,903
ESSER II State Set Aside	84.425D	8,148
ARP - ESSER III	84.425U	1,806,667
ARP - ESSER Homeless I	84.425U	71,767
ARP - Oklahoma Paid Student Teacher	84.425U	1,749
Total COVID-19 - ESF		<u>2,657,980</u>
<u>Passed Through State Department of Career and Technology Education:</u>		
Carl Perkins Grant	84.048	27,152
Carl Perkins High Schools That Work	84.048	7,046
Total Carl Perkins (84.048)		<u>34,198</u>
<u>U.S. Department of Agriculture:</u>		
<u>Passed Through State Department of Education:</u>		
<u>Child Nutrition Cluster:</u>		
Supply Chain Asst. Program	10.555	42,181
School breakfast program	10.553	311,483
National school lunch program	10.555	1,286,716
Non-cash assistance: Commodities	10.555	148,145
Total Child Nutrition Program Cluster		<u>1,788,525</u>
<u>Other Child Nutrition Programs:</u>		
EOC - Child and adult care food	10.558	3,636
P-EBT	10.649	3,063
<u>Other Federal Assistance:</u>		
Johnson O'Malley	15.130	43,111
Gear Up	84.334	137,319
ROTC	12.357	62,512
Job Training - OJT	84.126	872
Flood Control	12.112	1,897
Total Federal Assistance		<u>6,944,394</u>

* Major programs

Note 1 - Basis of Presentation - The accompanying schedule of expenditures of federal awards includes the federal activity of the District for the year ended June 30, 2022. This information is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the schedule presents only a selected portion of the operations of the District, it is not intended and does not present the financial position, changes in net assets, or cash flows of the District.

Note 2 - Summary of Significant Accounting Policies - Expenditures reported on this schedule are reported on the regulatory basis of accounting consistent with the preparation of the combined financial statements except as noted in Note 3. Expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. The District has elected not to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance. None of the federal programs include any loan programs, loan guarantee programs, and has no sub-recipients.

Note 3 - Non-Monetary Assistance - Commodities received by the District were of a non-monetary nature.

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PREPARED FOR THE OKLAHOMA STATE DEPARTMENT OF EDUCATION
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>OCAS Project Number</u>	<u>Program or Award Amount</u>	<u>Beginning Balance 7/01/2021</u>	<u>Revenue Collected</u>	<u>Total Expenditures</u>	<u>Ending Balance 6/30/2022</u>
<u>U.S. Department of Education</u>							
<u>Direct Programs:</u>							
Indian Education	84.060	561	\$ 306,372	0	306,372	306,372	0
<u>Passed Through State Department of Education:</u>							
Title I-Part A, Improving Basic Programs	84.010	511	749,718		749,718	749,718	
Title I-Part A, Improving Basic Programs 2020-21	84.010	799		69,840	69,840		
Title II-Part A, Teacher & Principal Training	84.367	541	136,818		129,860	129,860	
Title II-Part A 2020-21	84.367	799		10,396	10,396		
Title III-Part A English Language Acquisition	84.365	572	24,157		24,157	24,157	
Title III-Part A English Language Acquisition 2020-21	84.365	799		437	437		
Title IX-Part A Homeless	84.196	596	20,531		20,531	20,531	
ARP IDEA-B Flowthrough COVID-19	84.027X	628	186,368		42,487	42,487	
Special Education Programs-							
Special Education, Flow Through, P.L. 105-17	84.027	621	986,667		703,065	802,319	99,254
Special Education, Flow Through 2020-21	84.027	799		82,315	82,315		
Special Education, Flow Through Professional Development District	84.027	615	10,528		4,270	4,270	
Special Education, Flow Through Professional Development District 2020-21	84.027	799		9,520	9,520		
Special Education, Flow Through Certification Exam	84.027	616	388		388	388	
Special Education, High Needs Tier 2	84.027	627	83,138		71,914	71,914	
Special Education, High Needs Tier 2 2020-21	84.027	799		4,891	4,891		
Special Education, Preschool, Ages 3-5, P.L. 105-17	84.173	641	16,603		13,195	13,195	
Special Education COVID assist	84.027	617					
Title IV, Part A	84.424	552	46,070		46,070	46,070	
COVID-19 - Education Stabilization Fund (ESF):							
GEER CARES							
COVID-19 Prevention	84.425C	721	46,245		46,245	46,245	
Oklahoma Recovery Grant Embrace	84.425D	723	300,000		94,563	95,005	441
ESSERF / CARES Act 2020-21	84.425D	771	64,033		44,370	51,496	7,126
ESSER II	84.425D	799		52,776	52,776		
ESSER II 2020-21	84.425D	793	576,903		576,903	576,903	
ESSER II State Set Aside	84.425D	799		157,221	157,221		
ARP - ESSER III	84.425D	794	8,148		8,148	8,148	
ARP - ESSER Homeless I	84.425U	795	3,960,310		1,639,842	1,806,667	166,825
ARP - Oklahoma Paid Student Teacher	84.425U	796	87,687		71,767	71,767	
Total COVID-19 - ESF	84.425U	725	1,749		1,749	1,749	
			5,045,075	209,997	2,693,584	2,657,980	174,392
Subtotal			7,306,061	387,396	4,676,638	4,562,889	273,646

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
PREPARED FOR THE OKLAHOMA STATE DEPARTMENT OF EDUCATION
FOR THE YEAR ENDED JUNE 30, 2022

<u>Federal Grantor/Pass Through Grantor/Program Title</u>	<u>Federal Assistance Listing Number</u>	<u>OCAS Project Number</u>	<u>Program or Award Amount</u>	<u>Beginning Balance 7/01/2021</u>	<u>Revenue Collected</u>	<u>Total Expenditures</u>	<u>Ending Balance 6/30/2022</u>
<u>Passed Through State Department of Career and Technology Education:</u>							
Carl Perkins Grant	84.048	421	\$ 27,152		27,152	27,152	
Carl Perkins Grant 2020-21	84.048	799		8,350	8,350		
Carl Perkins High Schools That Work	84.048	426	10,800		2,400	7,046	4,646
Carl Perkins HSTW 2020-21	84.048	799		9,200	9,200		
Subtotal			<u>37,952</u>	<u>17,550</u>	<u>47,102</u>	<u>34,198</u>	<u>4,646</u>
<u>U.S. Department of Agriculture:</u>							
<u>Passed Through State Department of Education:</u>							
Child Nutrition Cluster:							
Supply Chain Asst. Program	10.555	759			79,724	42,181	
School breakfast program	10.553	764			353,108	311,483	
National school lunch program	10.555	763			1,418,066	1,286,716	
Summer food program	10.559	766			96,455		
Non-cash assistance: Commodities	10.555	N/A				148,145	
Sub Total					<u>1,947,353</u>	<u>1,788,525</u>	
Other Child Nutrition Programs:							
EOC - Child and adult care food	10.558	769			3,636	3,636	
P-EBT	10.649	760			3,063	3,063	
Sub Total					<u>6,699</u>	<u>6,699</u>	
<u>Other Federal Assistance:</u>							
Johnson O'Malley	15.130	563	48,735		43,111	43,111	
Johnson O'Malley 2020-21	15.130	799		5,024	5,024		
Gear Up	84.334	777	138,471		131,995	137,319	
ROTC	12.357	773	62,512		62,512	62,512	
Job Training - OJT	84.126	456	872		872	872	
Flood Control	12.112	774	2,621		2,621	1,897	
Subtotal			<u>253,211</u>	<u>5,024</u>	<u>246,135</u>	<u>245,711</u>	<u>0</u>
Total Federal Assistance			<u>\$ 7,903,596</u>	<u>409,970</u>	<u>7,230,299</u>	<u>6,944,394</u>	<u>278,292</u>

Note 1 - This schedule was prepared on a regulatory basis of accounting consistent with the preparation of the combined financial statements, except for the non-cash assistance noted in Note B.

Note 2 - Food Distribution - Non-cash assistance is reported in this schedule at the fair market value of the commodities received and disbursed.

Note 3 - None of the federal programs include any loan programs, loan guarantee programs, has no sub-recipients and does not use the 10% de minimus indirect cost rate.

CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF SURETY BONDS
FOR THE YEAR ENDED JUNE 30, 2022

<u>BONDING COMPANY</u>	<u>POSITION COVERED</u>	<u>BOND NUMBER</u>	<u>COVERAGE AMOUNT</u>	<u>EFFECTIVE DATES</u>
Travelers Casualty & Surety Co.	Treasurer (Old)	106952678	\$ 100,000	7/1/21 - 12/10/21
	Treasurer (New)	107564316	\$ 100,000	12/11/21 - 6/30/22
	Superintendent	106771107	100,000	7/1/21 - 7/1/22
	Position Bonds as follows:	106167977		9/18/21 - 9/17/22
		<u>Number</u>		
	Assistant Treasurer	1	100,000	9/18/21 - 9/17/22
	Encumbrance Clerk	1	100,000	9/18/21 - 9/17/22
	Minutes Clerk	1	1,000	9/18/21 - 9/17/22
	Payroll Clerk	1	100,000	9/18/21 - 9/17/22
	Activity Fund Custodian	2	100,000	9/18/21 - 9/17/22
	Activity Fund Custodian	1	20,000	9/18/21 - 9/17/22
	Activity Fund Custodian	4	10,000	9/18/21 - 9/17/22
	Activity Fund Custodian	2	1,000	9/18/21 - 9/17/22
	Warehouseman Child Nutr.	1	10,000	9/18/21 - 9/17/22
	Mail Person	1	25,000	9/18/21 - 9/17/22

**CLAREMORE INDEPENDENT SCHOOL DISTRICT NO. 1, ROGERS COUNTY
SCHEDULE OF ACCOUNTANT'S PROFESSIONAL LIABILITY INSURANCE
AFFIDAVIT
JULY 1, 2021 TO JUNE 30, 2022**

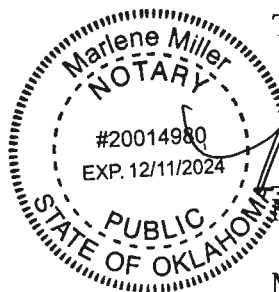
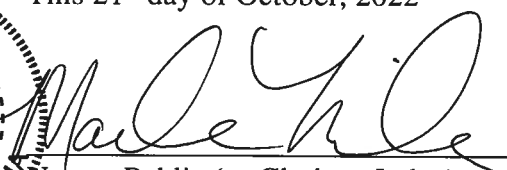
State of Oklahoma)
) ss
County of Tulsa)

The undersigned auditing firm of lawful ages, being first duly sworn on oath says that said firm had in full force and effect Accountant's Professional Liability Insurance in accordance with the "Oklahoma Public School Audit Law" at the time of audit contract and during the entire audit engagement with Claremore Public Schools for the audit year 2021-22.

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP
Auditing Firm

By 
Authorized Agent

Subscribed and sworn to before me
This 21st day of October, 2022

 
Notary Public (or Clerk or Judge)

My Commission Expires: 12/11/2024
Commission No. 20014980



BLEDSON, HEWETT & GULLEKSON
CERTIFIED PUBLIC ACCOUNTANTS, PLLLP

Eric M. Bledsoe, CPA
Jeffrey D. Hewett, CPA
Christopher P. Gullekson, CPA

P.O. BOX 1310 • 121 E. COLLEGE ST. • BROKEN ARROW, OK 74013 • (918) 449-9991 • (800) 522-3831 • FAX (918) 449-9779

October 21, 2022

Mr. Bryan Frazier, Supt.
Claremore Public Schools
102 West 10th Street
Claremore, Oklahoma 74017-5835

Dear Mr. Frazier:

Listed below are the observations and recommendations from the final audit work we performed for you. Please review them very carefully, along with the review copy of your audit report. If you have questions or desire additional information, please call us so that any discrepancies may be resolved.

The following section contains the observations relayed to management that are control deficiencies, which we feel need to be communicated to you so appropriate action may be taken to correct these deficiencies. These items are not included in your audit report, as they are not considered material or immaterial in nature. They are simply observations of some minor findings that could evolve into immaterial or material findings if not addressed or corrected.

Purchase Orders

Of the purchase orders examined, several did not have a “non-kickback” affidavit, as required by Oklahoma Statutes. It is required that an affidavit be obtained for every vendor from whom at least one invoice of \$25,000 or more is received. However, if a district executes a contract with any architect, contractor, engineer, or supplier, which is to provide services or materials on a continual basis, the district need obtain only one affidavit in lieu of the individual affidavits as stated above. We recommend that a non-kickback affidavit be obtained for each invoice received by the district, which is for \$25,000 or more, or, if the district has executed any contracts for services or materials to be used on a continual basis, that only one non-kickback be obtained. (Reference: 62 O.S. § 310.9)

Child Nutrition Fund

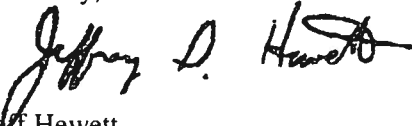
We observed during the audit that the net cash resources for the child nutrition fund at June 30, 2022, exceeded the three months average expenditures allowed by the State Department of Education by approximately \$318,000. We recommend that the administration contact the Child Nutrition Division at the State Department of Education and seek their guidance concerning this matter.

Activity Fund

Of the activity fund expenditures examined, several of the invoices were not signed as received. We recommend that all invoices or delivery tickets be signed and dated when the merchandise is received, or when services have been rendered, and that the board of education not approve any expenditure for which this has not been done, as required by Oklahoma Statutes. (Reference: 62 O.S. § 310.1a and 70 O.S. § 5-135 C and E)

We take this opportunity to thank you and your professional staff for the outstanding cooperation and invaluable assistance you gave us during our recent onsite audit work.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeffrey D. Hewett". The signature is fluid and cursive, with the first name "Jeffrey" being more prominent than the last name "Hewett".

Jeff Hewett

For

Bledsoe, Hewett & Gullekson
Certified Public Accountants, PLLLP